

**POLICY BULLETIN
CHILD NUTRITION PROGRAMS**

FDCH 03-11

January 3, 2011

SUBJECT: Administrative Payments to FDCH Sponsors

CONTACT: Kalleen Russell

PH: (801) 538-7686

The Healthy, Hunger-Free Act of 2010 was signed into law by the President on December 13, 2010. The Act modifies the requirements for administrative payments to sponsors of family day care homes (FDCH).

Effective October 1, 2010, administrative reimbursements are determined only by multiplying the number of family and group day care homes submitting a claim for reimbursement during the month by the appropriate annually adjusted administrative reimbursement rate. Any reimbursements for October and November that were made based on the previously required "lesser of" calculations will be adjusted by the state agency.

FDCH sponsoring organizations are still required to submit annual budgets that must be approved by the state agency. Sponsors continue to remain accountable for correctly accounting for costs and for maintaining records and sufficient supporting documentation to demonstrate costs claimed have been incurred, are allocable to the Program, and comply with applicable Program regulations and policies. The state agency will continue to recover reimbursements that are unallowable or that lack adequate documentation.

CACFP 06-2011